Disposal

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Acal PLC
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ACAL plc

(A leading pan-European, value added distributor providing specialist design-in, sales and marketing services for international suppliers)

SALE OF ACAL'S CISCO DISTRIBUTION BUSINESS

Acal plc announces the sale of its Cisco Distribution Business ("CDB") based in the Netherlands, to Ingram Micro BV. CDB, which was engaged in the distribution of Cisco networking products and the provision of certain related services, operated as a division of Acal Nederland BV and shared the administration and support facilities of that company with its other activities, all of which will continue. In the year ended 31st March 2002 CDB had sales of €37.4 million (£23 million) and earnings before interest, taxation and amortisation of goodwill (EBITA) of approximately €0.95 million (£0.58 million). Ingram has paid €1.74 million (£1.1 million) for the business and a further €3.14 million (£2.0 million) in respect of its inventory and certain other assets, both amounts being settled in cash to the aggregate extent of €3.73 million (£2.4 million) now and the balance of €1.15 million (£0.7 million) in two instalments over the next few months. The remaining assets and liabilities of CDB will be realised in the ordinary course. The proceeds of the sale will be applied, in the first instance, in reducing the net borrowings of the Acal Group.

Acal's "centre of excellence" for Cisco has been in the Netherlands where it has been a Cisco distributor for eight years and was awarded "Cisco Distribution Partner" status last year.

Commenting on the sale, Tony Laughton, Acal's Chief Executive, said:-

"Our Cisco distribution business has grown significantly in recent years, culminating in our appointment as a Cisco Distribution Partner last year. Strategically, for its further development it fits better with Ingram's pan-European activities in this area, and we are pleased that they are buying it. I would like to thank the team which helped us build this business over the years, and wish them every success in the future.

Our IT activities in the Netherlands and elsewhere will now concentrate on the development and growth of niche higher margin high-end networking and security products as well as Headway document management and storage, fibre channel connectivity and the EAF IT parts services businesses."

For further information:-

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Notes to Editors:-

1 The Acal Group is a leading European, value-added distributor providing specialist design-in, sales and marketing services for international suppliers in the fields of Electronic Components, Information Technology

Products, IT Parts Services and Industrial Controls. Its value-added philosophy and geographic coverage enables Acal to provide specialist knowledge and support to customers on a pan-European basis.

2 Acal has operating companies in the UK, Netherlands, Belgium, Germany, France, Italy, Scandinavia and the USA.

This information is provided by RNS
The company news service from the London Stock Exchange